

GET OUT OF DEBT

{YOUR NAME &
LOGO HERE}

There's different types of debt. Good debt refers to an investment or something that increases value, like a mortgage. Bad debt is when you borrow for something that you lose money on, like credit cards. Regardless of what debt you have, it can become stressful if you're unable to make the payments or if it's preventing you from reaching your financial goals. Creating a plan can help you achieve financial freedom.

How are you feeling about your current state of debt (circle one)? (Answers will vary)



Confident. I have a solid plan and am currently working towards my goals to be debt free.



Overwhelmed. I've thought about how I can tackle debt but am having a hard time creating and/or executing a plan.



Discouraged. I have no idea where to begin when it comes to getting out of debt.

What's one advantage to using the Avalanche Method?

Gets rid of highest interest rate first/

Stops biggest interest from contributing to overall debt

What are three steps you can take to better manage your debt?

1. Avoid accumulating more debt

2. Reduces expenses

3. Pay more than the minimum payment

What should you do if you cannot afford your minimum payment, even after cutting expenses?

Negotiate with your creditor(s)

Get Out of Debt Resources:

- Get Out of Debt Coach
- How to Manage Your Debt: Strategies & Tools Article
- Debt Payoff Calculator
- Navigating Debt Collections Coach
- Minimum Payment Calculator

Visit yoursubdomain.teachbanzai.com/wellness

Vocabulary Terms:

Debt Consolidation: combining all your debts into one payment.

Debt Management Plan: an action plan to help you pay off debt.

Snowball Method: a strategy where you pay off the smallest debt first.

Avalanche Method: a strategy where you pay off the highest interest rate debt first.

My biggest takeaway:

